in the 1987 report of the Bureau of Industrial Costs and Prices.

(iii) Allowing CIL and SCCL to fix the prices of E, F and G Grades of non-coking coal in relation with the market prices and to distribute these grades of coal after 1st January, 2000.

Subject to legislative changes wherever necessary, the Government have also taken following decisions:—

(i) Setting up of an independent body to monitor detailed and regional exploration of coal and lignite resources in the country.

(ii) Allocation of new blocks on the basis of a competitive bidding process in which Indian companies including coal companies in the public sector may participate.

(iii) Establishment of a Regulatory Body which would perform and appellate function to resolve the price disputes between the producers and the consumers.

Self sufficiency in Coal production

887. DR. B.B. DUTTA: Will the Minister of COAL be pleased to state:

(a) whether the country is not self sufficient in the production of coal;

(b) if so, the details regarding production and consumption of coal for the last three years;

(c) the steps taken/proposed to be taken by Government to increase the production of coal; and

(d) whether Government have any proposal for privatisation of coal sector?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRIMATI KANTI SINGH): (a) and (b) While the country is largely self sufficient in respect of non-coking coal, certain shortfall exists with respect to the availability of coking coal vis-a-vis its demand. The production and consumption of coal for the last three years are as follows:—

(in million tonnes)

Production			Offtake		
1993-94	1994-95	1995-96	1993-94	1994-95	1995-96
246.04	253.73	270.13	252.87	252.38	271.06
			(2.73)	(2.72)	(2.35)

The figures in brackets indicate supply of washery middling.

(c) Steps taken to increase coal production in the country are as follows:—

(i) Opening up of new mines and increasing efficiency and productivity in existing mines by modernisation, application of new technologies and ensuring timely availability of inputs and infrastructural facilities.

(ii) The capital base of Coal India Limited has been restructured to enable it to raise from the capital market additional financial resources which are required to add to new coal production capacity.

(iii) Co-ordination on continuous basis with the Railways is maintained to remove transportation bottlenecks in such coalfields areas which have potential for enhanced production.

(iv) Private sector companies engaged in production of iron and steel, cement and generation of power have been permitted to take up coal mining for their own use. This is expected to increase domestic coal production.

(iv) Modification of existing washeries as well as construction of new washeries are being taken up to increase the availability of washed coking coal.

(d) The Government have, subject to legislative changes, decided to offer new coal blocks, without the restriction on coal mining.

for captive consumption only, to the Indian Companies including Public Sector Companies on the basis of competitive bidding.

Justification for frequent increase in coal prices

888. SHRI PARMESHWAR KUMAR AGARWALLA: Will the Minister of COAL be pleased to state:

(a) the justifications for frequent price increase of coal, particularly after partial deregulation of coal prices;

(b) the prices of different grades of coking and non-coking coals since 1993-94, the average annual costs of production thereof since 1993-94, separately, in open cast and underground mines and the average percentage increse in the prices from each date of price increase;

(c) whether in coal mining, cost has no or little relation to the grade of coal mined; and

(d) if so, the manner in which bulk of price increases are loaded onto the consumers of superior grades of coal?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRIMATI KANTI SINGH): (a) Before partial deregulation, the coal prices were last revised on 17.6.1994 based on November, 1993 indices. In the intervening period from 17.06.1994 to 31.03.1996 inflation was to the tune of 29% over November, 1993 indices. Accordingly Coal India Ltd. (CIL) increased the prices of deregulated grades of coal in two phases i.e. on 01.04.1996 by 19% and 20.10.1996 by 10% over the 1994 prices.

(b) to (d) The average prices of all grades of coal including the regulated grades produced from CIL Mines since 1993-94 and the average percentage increases from that year the given below:—

Year	Average price of CIL Coal (Rs. per tonne)	% age increase
1993-94 (19.06.93)	381.00	—
1994,95 (17.06.94)	401.00	5.25%
01.04.96	469.02	16.96%
20.10.96	498.54	6.2%

The cost of coal production from CUL mines is compiled under two categories:

(a) Underground Mines

(b) Opencast Mines

The average annual cost of production of underground and opencast mines of CIL for the year 1993-94 to 1995-96 are given below:

(Figs in Rs/tonnes)

Year	UG	OC	Total
1993-94	718.17	244.31	364.35
1994-95	781.80	252.89	380.45
1995-96	984,96	273.32	412.66

Cost of production has little relation to the grades of coal produced. If the 1997 escalation formula of Baureau of Industrial Costs and Prices is applied, the impact of increase in input prices over the price prevailing on 17.06.1994 in all grades of CIL coal work out to 29% and the prices of all grades of CIL coal should have been enhanced by the same percentage. However, CIL could enhance only the prices of superior grades of coal which were deregulated with effect from 01.04.1996.

Time bound clearance of coal mining projects

889. SHRI PARMESHWAR KUMAR AGARWALLA: Will the Minister of COAL be pleased to state:

(a) whether there is a move to completely privatise coal mining by removing the existing conditions of captive mining or otherwise;

(b) if so, in what manner competitive bidding would be condncive for user industries in particular;

(c) whether any assessment/introspection has been done in this regard;

(d) if so, the results thereof and if not, the reasons therefor;

(e) whether cumbersome procedure for site/ environmental clearances are causing delays in the implementation of captive coal mining projects; and

(f) if so, the action taken to simplify the procedure for time bound clearances thereof?